

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: QWEST CORPORATION, f/k/a U S WEST COMMUNICATIONS, INC.	DOCKET NO. TF-01-286 (RPU-98-4)
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ORDER DOCKETING TARIFF AND ESTABLISHING PROCEDURAL SCHEDULE

(Issued October 18, 2001)

On September 17, 2001, Qwest Corporation, f/k/a U S WEST Communications, Inc. (Qwest), filed a proposed tariff with the Utilities Board (Board) designed to reduce certain rates to comply with Qwest's price regulation plan. To accomplish the majority of the decrease, Qwest proposes to reduce originating and terminating common carrier line access service in a total amount necessary to produce a 0.53 percent decrease in year two basic communications services revenues. The tariff filing has been identified as Docket No. TF-01-286.

On October 8, 2001, the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed an objection to the proposed tariff and requested the Board docket the proposed tariff and establish a procedural schedule. Consumer Advocate states that it agrees with the 0.53 percent reduction, but Consumer Advocate contends that the price regulation plan requires Qwest to reduce basic communications services across-the-board rather than selectively. Consumer Advocate also argues that Qwest will benefit from the reduction of common carrier line access rates.

On October 16, 2001, Qwest filed a response to the objection of Consumer Advocate. In its response, Qwest states that the issue of across-the-board decreases raised by the Consumer Advocate has been decided by the Board and that Consumer Advocate's contention Qwest will benefit from the common carrier line access rate reduction is not correct. Qwest argues that there is no basis for a formal contested proceeding and requests that the Board reject Consumer Advocate's request to docket the proposed tariff for further proceedings.

Iowa Code § 476.5 requires Board approval before a new rate or charge of a rate-regulated utility is effective and the docketing of the case for a formal proceeding suspends the effective date of the new rates. The Board finds that the proposed tariff should be docketed and a procedural schedule established for the prefiling of testimony and an evidentiary hearing. The Board has addressed the issue of across-the-board reductions in Docket No. TF-00-250. The Board's decision in that docket is on judicial review. The Board did not address the particular issue of Qwest benefiting from a price reduction in Docket No. TF-00-250.

The Board finds that issues raised by Consumer Advocate must be decided after an evidentiary hearing. As in Docket No. TF-00-250, the Board must determine in this matter the meaning of Paragraph III, D and E of the price regulation plan and the provisions of Iowa Code §§ 476.97(3)"a"(5) and (6). The Board must also address other issues concerning the proposed tariff. Even though some of these issues have been addressed previously, these are new rates subject to the objection filed by Consumer Advocate.

The Board therefore will establish a procedural schedule with prefiled testimony and an evidentiary hearing. The parties may wish to suggest an alternative procedure since many of these issues have been tried previously.

IT IS THEREFORE ORDERED:

1. Any interested person may file a petition to intervene in this docket on or before November 2, 2001. Any response to a petition to intervene should be filed within five days of the date the petition is filed and served.

2. The following procedural schedule is established:

a. Intervenors and Consumer Advocate shall file any prepared direct testimony, with supporting exhibits and workpapers, on or before November 16, 2001.

b. Qwest Corporation, f/k/a U.S. West Communications, Inc., shall file any rebuttal testimony, with supporting exhibits and workpapers, on or before November 30, 2001.

c. A hearing for the purpose of receiving testimony and cross-examination of all testimony will commence at 10 a.m. on December 18, 2001, in the Board's hearing room at 350 East Maple Street, Des Moines, Iowa. Parties shall appear at the hearing one-half hour prior to the time of hearing to mark exhibits. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Board at 515-281-5256 to request appropriate arrangements be made.

d. Any party desiring to file a brief shall do so on or before
January 4, 2002.

3. In the absence of objection, all data requests and responses referred to in the oral testimony or cross-examination, which have not previously been filed with the Board, shall become a part of the evidentiary record. The party making the reference to the data request or response shall file an original and six copies at the earliest possible time.

4. In the absence of objection, if the Board calls for further evidence on any issue and that evidence is filed after the close of hearing, the evidentiary record shall be reopened and the evidence will become a part of the evidentiary record five days after filing. All evidence filed pursuant to this paragraph shall be filed no later than seven days after the close of the hearing.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Mark O. Lambert

Dated at Des Moines, Iowa, this 18th day of October, 2001.